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STABLE

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About Us

Trusted Component Manufacturer and Dealer in the Automotive Industry

MeGroup Ltd. (“MeGroup” or the “Company”, and together with its subsidiaries, the “Group”) is a Malaysian-based automotive company involved in the manufacturing of noise, vibration and harshness (NVH) and non-NVH components for the automotive industry, and the operation of automobile dealerships in Malaysia.

Listed on the SGX-ST on 31 October 2018, the Group has two business segments – Manufacturing and Dealership.

The Manufacturing business specialises in producing NVH components such as headliners and engine outers which are incorporated into various parts of automobiles, including the ceiling, dashboard, hood and boot, as well as non-NVH components such as parcel trays and board assembly decks.

The Dealership business comprises several 3S and 4S automobile dealership for the sale of new automobiles with brands such as Ford, Honda, Hyundai, Mazda, Mitsubishi, Peugeot, and Proton. These Dealerships are owned and operated by MeGroup.



2000

- Approved Supplier to Perodua; began supplying parts to them

2011

- Enrolled into Kaizen programme to further improve manufacturing process

2015

- Launched 1st Peugeot dealership
- Accredited with ISO14001:2004 certification for environmental management systems

2020

- Awarded 1st Mitsubishi dealership
- Collaboration with Flux
- Completed R&D lab – Sound test lab
- Began trial supply to mattress industry
- Secured new manufacturing projects with Mitsubishi, Peugeot and Toyota

2001

- ISO 9002 certification for manufacturing interior parts for NVH insulations

2012

- Launched 1st Mazda dealership at Sungei Besi

2017

- Launched 2nd Peugeot dealership at Seremban
- Launched 1st Honda dealership at Cheras

2021

- Awarded 2nd Mitsubishi dealership at Bandar Bukit Raja
- Awarded 1st Proton dealership
- Expanded manufacturing facility at Kulim Hi Tech Park
- Launches first used car dealership outlet

1995

- Founded 30 March; operated out of a shophouse in Balakong
- Manufactured carpet flooring & other NVH parts for Proton

2008

- Entered into Malaysia Japan Automotive Industries Cooperation Improvement Programme
- Relocated manufacturing facility to meet growing demands

2014

- ISO/TS 16949:2009 certification for quality management system
- Entered into Technical Assistance Agreement with Hirotani Co Ltd

2019

- Completed acquisition of MJNMSB
- Awarded 1st Hyundai dealership
- Awarded 1st Ford dealership
- Began supplying to Johnson Controls Hitachi
- Approved Supplier to another major Japanese carmaker

2004

- Approved Supplier to Ford, Mazda & Nissan
- Group's first foray into international export market

2013

- Established Thermobonded Felt line at Main Manufacturing Plant

2018

- Launched 2nd Honda dealership at Kuala Selangor
- Awarded 3rd Peugeot dealership
- Approved Supplier to Johnson Controls Hitachi
- Listed on the Singapore Exchange on 31 Oct

An Experienced Management Team



Mr Wong Cheong Chee

Executive Chairman and CEO

- >40 years' experience in the manufacturing industry



Mr Abdul Razak Bin Montel

Head of Sales, Manufacturing

- >30 years' experience in the manufacturing industry



Ms Carol Wong Keat Yee

Executive Director and

Head of Operations, Manufacturing

- 17 years' experience in the industry



Mr Jeffery Wong Sai Hou

Head of Group Expansion & Strategy,
Head of Dealership

- 19 years' experience in the industry



Mr William Wong Sai Keat

Head of Engineering and R&D,
Manufacturing

- 14 years' experience in the industry



Mr Felix Cheah Yao Jian

Group Financial Controller

- >13 years' experience in auditing, taxation, treasury, financial reporting and corporate finance in various industries



**Our
Manufacturing
Business**

Our Business - Manufacturing

- Operate two plants in Selangor
 - Main Manufacturing Plant
 - Thermobonded Felt Plant
- Operate an Assembly Line at Kulim Hi-tech Park for the assembly of Mazda components
 - Currently constructing a **new facility** at Kulim to house a manufacturing line and an assembly line
- Manufacture a variety of components: interior carpet products, hood insulator, trunk lids, etc
- NVH components are **developed** and **tailored** to each customer's car marque and are usually supplied for the entire lifecycle of the car model
- Established an R&D sound testing lab; **currently the only NVH manufacturer in Malaysia to have such a lab**



RM9.5 million
Revenue as at 30 Sep 2021



100 employees
as at Sep 2021



Approved Supplier to
9
car brands



R&D lab
for QC testing



HONDA
The Power of Dreams



mitsubishi
MOTORS



PROTON
INSPIRING CONNECTIONS



MAZDA



PERODUA



TOYOTA



HITACHI

ISUZU

Our Manufacturing Capabilities



FELT MANUFACTURING



FELT RECYCLING



HEAT ROLLER MACHINE



STAMPING MACHINE



FELT PRESS MACHINE



HIGH PRESSURE WATER JET CUTTING MACHINE



DIE CUTTING MACHINE

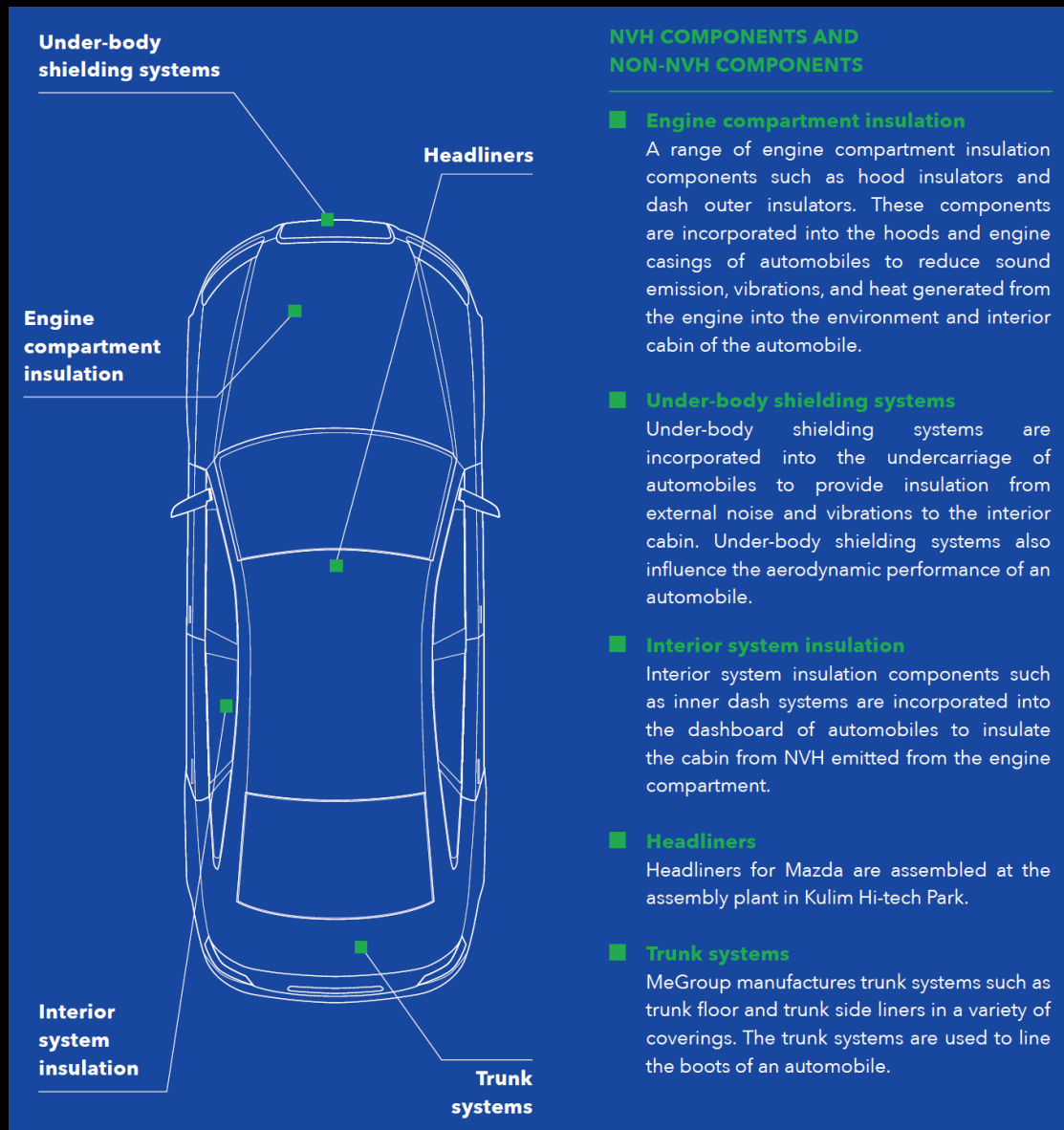


CATIA DESIGN EXPERTISE



FINISHING TOUCHES

Examples of NVH and non-NVH Products



NVH COMPONENTS AND NON-NVH COMPONENTS

■ Engine compartment insulation

A range of engine compartment insulation components such as hood insulators and dash outer insulators. These components are incorporated into the hoods and engine casings of automobiles to reduce sound emission, vibrations, and heat generated from the engine into the environment and interior cabin of the automobile.

■ Under-body shielding systems

Under-body shielding systems are incorporated into the undercarriage of automobiles to provide insulation from external noise and vibrations to the interior cabin. Under-body shielding systems also influence the aerodynamic performance of an automobile.

■ Interior system insulation

Interior system insulation components such as inner dash systems are incorporated into the dashboard of automobiles to insulate the cabin from NVH emitted from the engine compartment.

■ Headliners

Headliners for Mazda are assembled at the assembly plant in Kulim Hi-tech Park.

■ Trunk systems

MeGroup manufactures trunk systems such as trunk floor and trunk side liners in a variety of coverings. The trunk systems are used to line the boots of an automobile.



INSULATOR HOOD



INSULATOR DASH OUTER



INSULATOR DASH INNER



LID TRUNK



TOP CEILING



PAD ROOF SILENCER



BOARD ASSEMBLY DECK



COVER FRONT FLOOR

Manufacturing R&D Capabilities

MeGroup is currently the only NVH supplier in Malaysia to build its own R&D lab for product quality control and enhancement.

- **Testing Lab**

- Tensile Strength
- Bending Strength
- Flame/Fire Test
- Cold Resistance (up to -20°C)
- Heat Resistance
- Water Resistance
- Peeling Test
- Shearing Test



TESTING LAB



FLAMMABILITY TEST



HEAT TEST



UNIVERSAL TESTING MACHINE



SOUND TESTING CHAMBERS

- **Sound Test Lab**

- Sound Absorption Testing (REVRO)
SIZE: 1m x 1m / 1.2m x 1.2m
- Sound Insulation Loss Testing (ABLOSS)
SIZE: 0.7m x 0.7m / 1m x 1m



SOUND ABSORPTION CHAMBER



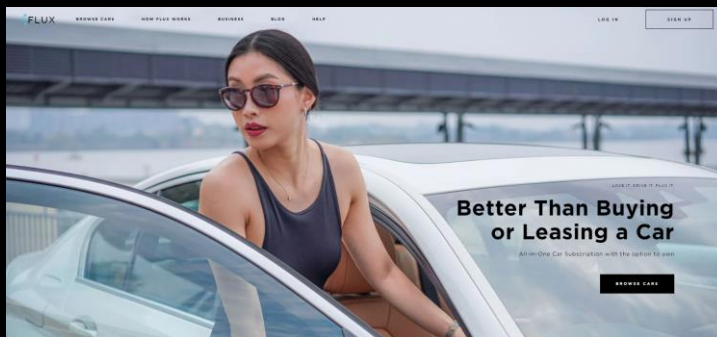
SOUND TRANSMISSION LOSS CHAMBER



Our Dealership Business

Our Business - Dealership

- Revenue driver for the Group with various income streams
 - Retail sale of vehicles, after sales services, sale of parts and accessories, body paintwork and collision repair services
 - Collaboration with Flux, a Mobility-as-a-Service provider, to lease out unsold inventory



- Launched first used car dealership outlet in October 2021
- Leveraged various social media platforms and other digital marketing strategies to navigate the challenges faced during the MCOs
- On the look out to enter new partnerships with other dealership brands



RM70.8 million

Revenue as at 30 Sep 2021



7

Car Brands



Dealership Outlets

11



Dealership Outlet Locality



Honda Kuala Selangor



Mitsubishi Kuala Selangor



Ford Shah Alam



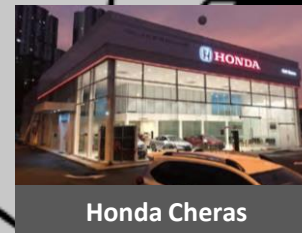
Mazda Sungai Besi



Peugeot Setia Alam



Mitsubishi Bandar Bukit Raja



Honda Cheras



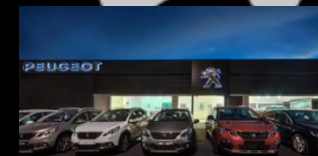
Hyundai Klang



Proton Telok Panglima Garang



Peugeot Kajang



Peugeot Seremban



1H2022 Highlights

1H2022 Highlights

REVENUE: **RM 80.3 million**

Breakdown by segment

Manufacturing

Dealership

RM 9.5 mil

(approx. 12%)

RM 70.8 mil

(approx. 88%)

GROSS PROFIT:

RM 5.7 million

Breakdown by segment

Manufacturing

Dealership

RM 1.1 mil

(approx. 19%)

RM 4.6 mil

(approx. 81%)

BALANCE SHEET

Net Current Assets

RM 19.5 mil

Net Tangible Assets

RM 36.0 mil

Gearing

0.94

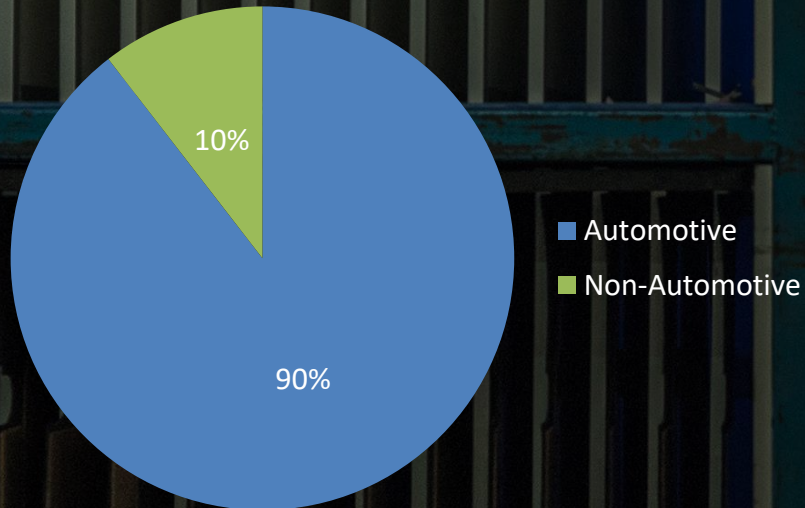
NAV

30.6 sen

1H2022 Highlights - Manufacturing

Revenue – Manufacturing

RM 9.5 mil



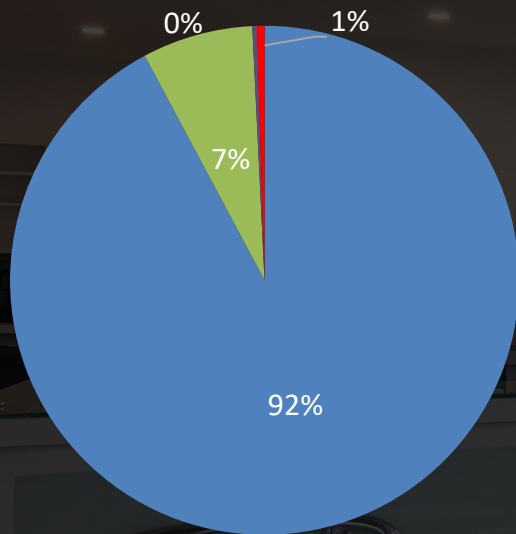
Current order book:
183 parts in production



1H2022 Highlights - Dealership

Revenue – Dealership

RM 70.8 mil



- Automobiles sales & incentives
- Aftersales automobile services
- Insurance agency fee
- Others

Number of Automobile Registrations and After-Sales Intake

12,000
10,000
8,000
6,000
4,000
2,000
-

Category	Units
Automobile Sales	488
Aftersales - Services	10,175
Aftersales - Body & Paint	501

General Repair Bay 3

W 2383 D

revolution

Genuine Tyre

Industry Outlook

Outlook

- Malaysia government implemented MCO 3.0 from 12 May 2021 which transitioned into a full lockdown from 1 June 2021 to September 2021
 - All non-essential businesses and services temporarily closed during this period
 - The government also ramped up its vaccination programme, achieving approx. 75.4% of its population fully vaccinated as at 4 November 2021
- Under the country's National Recovery Plan, restrictions started easing from September 2021 to progressively reopen the economy
- The Malaysian Automotive Association (MAA) announced on 18 October 2021 that the total registration of new passenger and commercial vehicles in Malaysia was 318,874 units for the first nine months of 2021, a decrease of 25,145 units as compared to the same period in 2020
- MAA also reported that the total passenger and commercial vehicles produced and assembled in Malaysia over the same period in 2021 was 303,996 units as compared to 315,863 in the first nine months of 2020
- The automotive sector continues to remain challenging due to a supply chain disruption in chips, affecting sales of certain automobile models
- Production and registration of new vehicles in Malaysia for Q4 2021 are expected to further improve with the sales tax exemption of up to 100% for completely-knocked down passenger vehicles and 50% on completely built-up cars being further extended for another six months to 31 December 2021



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